

NUTTER, MCLENNEN & FISH, LLP

RECORDATION NO. 21715

FILED

ATTORNEYS AT LAW

OCT 15 '98

10-51 AM

ONE INTERNATIONAL PLACE
BOSTON, MASSACHUSETTS 02110-2699

TELEPHONE: 617 439-2000 FACSIMILE: 617 973-9748

CAPE COD OFFICE
HYANNIS, MASSACHUSETTS

DIRECT DIAL NUMBER
(617) 439-2381

October 1, 1998
101198-1

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street NW, Room 715
Washington, D.C. 20423

RECEIVED
SURFACE TRANSPORTATION
BOARD
OCT 15 10 51 AM '98

Re: Recordation of Railway Equipment

Dear Mr. Williams::

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) and 49 C.F.R. Section 1177, are one (1) original and two (2) copies of a Memorandum of Lease Agreement, dated as of October 2, 1998, a primary document as defined in the Board's Rules for the Recordation of Documents.

The names and addresses of the parties to the enclosed documents are:

Lessor: BancBoston Leasing Inc.
100 Federal Street
Boston, MA 02110

Lessee: Merco Joint Venture, LLC
c/o Eagle Land Management, Inc.
110 W. Lancaster Avenue
Wayne, PA 19087

A description of the railroad equipment covered by the enclosed documents is:

One hundred thirteen (113) used railcars, 23 Berwick cars MERX 0001 through MERX 0023 and 90 Johnstown America cars MERX 0024 through MERX 0113. One thousand twenty two rail car containers.

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In addition, enclose please find one (1) original and two (2) copies of the Release and Termination of Master Equipment Lease and Security Interest. The recordation number to be terminated is 20750, filed on June 30, 1997. Please file this termination promptly. The names and addresses of the parties to the release are:

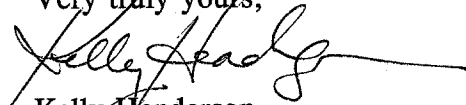
Lessor: Fleet Capital Corporation
50 Kennedy Plaza
Providence, RI 02903

Lessee: Merco Joint Venture, LLC
31 Garden Lane
Lawrence, NY 11559

Also enclosed is a check in the amount of \$52.00 payable to the order of the Surface Transportation Board for the requisite recordation fees.

Please return stamped copies of the enclosed documents as evidence of recordation to my attention.

Very truly yours,



Kelly Henderson

Enclosures
535182_1.WP6

MEMORANDUM OF LEASE AGREEMENT

OCT 15 '98

10-51 AM

This MEMORANDUM OF LEASE AGREEMENT, dated as of the 2 day of October, 1998, ("Agreement") is made at Boston, Massachusetts by and between BancBoston Leasing Inc. ("Lessor"), a Massachusetts corporation with its principal place of business at 100 Federal Street, Boston, Massachusetts 02110 and Merco Joint Venture, LLC ("Lessee"), a New York limited liability company with its principal place of business c/o Eagle Land Management, Inc., 110 W. Lancaster Avenue, Suite One, Wayne, Pennsylvania 19087.

IN CONSIDERATION OF the mutual promises and covenants contained herein, Lessor and Lessee hereby agree as follows:

1. At the request of Lessee and subject to the terms and conditions of this Agreement, Lessor shall lease to Lessee and Lessee shall lease from Lessor such personal property ("Equipment"), more fully described in Schedule A hereto. The terms of the lease are set forth in the Master Lease Agreement dated as of October __, 1998 between Lessor and Lessee ("Master Agreement").

2. This Memorandum of Lease is a summary of, and in all respects is subject to, the terms of the Master Agreement.

IN WITNESS WHEREOF, Lessor and Lessee, each by its duly authorized officer or agent, have duly executed and delivered this Master Agreement, which is intended to take effect as a sealed instrument, as of the day and year first written above.

LESSOR:

LESSEE:

BANCOSTON LEASING INC.

MERCO JOINT VENTURE, LLC

By: Jane M. Ger
Title: Assistant Vice President

By: Eagle Land Management, Inc.,
its managing member

By: [Signature]
Title: President

[NOTARIAL ACKNOWLEDGEMENT ON FOLLOWING PAGE]

MERCO JOINT VENTURE as of July 1998

RAILROAD CARS and CONTAINERS

Railroad Cars

1. 23 Berwick Railcars, (Mfg. 1993) AAR certified (estimated 50 year life), doubles with flexible center (4 sets of wheel assemblies) 4' 1" above rail, currently rated for 156 ton capacity [Merco #'s 0001 thru 0023] (Excellent Condition) @ 65% / 75% / 85% of (bulk quantity) replacement cost = \$55,000 / 64,000 / 78,000 each
2. 90 Johnstown America Railcars, (Mfg. 1992 & 1993) AAR certified, flexible center (4 sets of wheel assemblies) 46" above rail, currently rated for 156 ton capacity [Merco #'s 0024 thru 0113] (Excellent Condition) @ \$56,000 / 65,000 / 79,000 [Johnstown Am. is actively producing model and car sits 3" lower on rail than Berwick cars]

Containers:

3. 299 Accurate Containers with covers (Mfg. 1992) 28 cu. Yards heavy duty steel @ \$3,000 / 3,500 / 5,000
4. 178 Accurate Containers with covers (Mfg. 1993) 30 cu. Yards heavy duty steel @ \$3,200 / 3,750 / 5,275
5. 2 Accurate Containers with covers (Mfg. 1992) 30 cu. Yards extra heavy duty steel @ \$3,200 / 3,750 / 5,275
6. 300 Galbreath Containers with covers (Mfg. 1992) 28 cu. Yards heavy duty steel @ \$3,000 / 3,500 / 5,000
7. 80 Galbreath Containers with covers (Mfg. 1993) 30 cu. Yards heavy duty steel @ \$3,200 / 3,750 / 5,275
8. 82 Vanco Containers (Mfg. 1993) with covers improved after 1995, steel 28 cu. Yards @ \$2,750 / 3,250 / 4,500
9. 80 Hill Containers with covers (Mfg. 1992) & skid slots, steel 28 cu. Yd. @ \$2,750 / 3,250 / 4,500
10. 1 Merco (customized prototype) Container (Mfg. 1998), steel 30 cu. Yds

DEBTOR: MERCO JOINT VENTURE, LLC
 By: EAGLE LAND MANAGEMENT, INC., as managing member

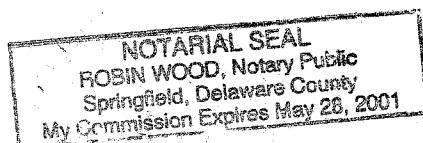
By: _____
 Name: _____
 Title: _____

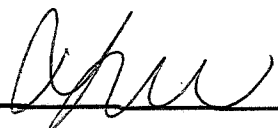
[Memorandum of Lease]

STATE OF PENNSYLVANIA)
)
COUNTY OF DELAWARE), ss

On this 30th day of SEPTEMBER, 1998 before me personally appeared WILLIAM E. IORIO, to me personally known, who being by me duly sworn, says that he is the PRESIDENT of EAGLE LAND MANAGEMENT, INC., that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Before me,





Notary Public
My Commission expires:


[NOTARIAL ACKNOWLEDGEMENT ON FOLLOWING PAGE]

[Memorandum of Lease]

STATE OF Massachusetts)
)
COUNTY OF Suffolk) ss

On this 1st day of October, 1998 before me personally appeared
Jane M. Leo _____, to me personally known, who being by me duly sworn,
says that he is the A.V.P. of BancBoston Leasing Inc., that the seal
affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument
was signed and sealed on behalf said corporation by authority of its Board of Directors, and he
acknowledged that the execution of the foregoing instrument was the free act and deed of said
corporation.

Before me,



Notary Public
My Commission expires:

WILLIAM G. NASER
NOTARY PUBLIC
My Commission Expires Nov. 20, 2003

534237_1.WP6